

MTA Headquarters

**MTA Headquarters
2009 Final Proposed Budget
November Financial Plan 2009 – 2012**

Mission Statement

The mission of Metropolitan Transportation Authority Headquarters is to maximize use of MTA Transportation services and facilities by its customers and to provide support to the operating agencies in budget, cash management, finance, legal, real estate, treasury, risk and insurance management, and other services. In addition, MTA Headquarters' Department of Public Safety provides the highest level of policing and security for MTA's customers, employees and facilities.

Financial Overview

Mindful of the economic uncertainties that overshadow the MTA region and the MTA itself, MTA Headquarters has taken steps to continue its leadership in the MTA commuting region. The Financial Plan enclosed includes funding only for those programs deemed the highest priority by MTA management. These issues include environmental needs, of such high importance that a Blue Ribbon Commission on Sustainability was charged with expanding the MTA's contributions to regional and national sustainability, while reducing and managing the MTA's energy consumption, carbon emissions, waste, water use, and other elements of MTA's ecological footprint. MTA Headquarters has embraced the initiatives identified by the Blue Ribbon Commission on Sustainability by appointing a Director of Sustainability who will be responsible for initiating a process of both recording and verifying MTA's impact on the regional carbon footprint and computing possible carbon credits from it and analyzing the MTA's operations and expansion so as to reduce their carbon implications.

Because the training and retention of the MTA workforce is so important, the Blue Ribbon Panel on Workforce Development issued a report containing 61 recommendations aimed at, among others, promoting workforce development, succession planning, organizational culture, employees availability, and labor-management relations. These have been given top priority at MTA Headquarters and responsibility for implementation of programs designed for workforce development have been assigned to the Organizational Development and Training Division which now reports directly to the MTA Headquarters Chief of Staff.

Since 9/11, the security of MTA facilities, customers, and employees has been a major consideration. MTA Headquarters continues to expand security and many of its accomplishments will be the result of Directed Patrols to increase Police visibility and presence on board the Long Island Railroad, Metro North and SIRTOA, as well as continued use and training of such forces as the K-9 unit and the Emergency Services Unit. In addition, the 2009 Final Proposed Budget includes funding for the Integrated Electronic Security System (IESS/C3) for which hiring is underway and which is scheduled to be operational in early 2009.

In order to ensure the MTA's financial stability MTA Headquarters has acted on the findings of two studies to determine the cost benefits of a shared services business service center (BSC). Under BSC, select administrative functions for all the MTA agencies are combined and use one Enterprise Resource Planning (ERP) Financial and Human Resources Payroll system along with other technologies to process administrative and back-office transactions. The MTA Board's decision in February 2008 to go forward with the BSC will result in substantial real savings to the MTA in the latter part of the plan period.

In addition, the MTA Defined Benefit Pension Plan currently is a complex multi-article pension plan with represented and non-represented participants in MNR, LIRR, LI Bus, MTA Bus, MTA PD and SIRTGA each with their own staffs to administer their own plans. In 2008 and 2009 these will be centralized in MTA Headquarters with all expenses reimbursable by the Pension Trust.

Finally, MTA Headquarters will create a Performance Reporting System, or "dashboard", modeled on a similar reporting environment implemented by the Department of Information Technology and Telecommunications for the City of New York that will monitor progress towards achieving MTA's as well as Agencies goals.

2008 November Forecast

MTA Headquarters projects a Baseline Deficit of \$338.867 million in the 2008 November Forecast before PEGs. The forecast includes only the MTA Headquarters portion of the Integrated Electronic Security System (IESS/C3) and the MTA-wide maintenance contract costs. Additionally, a shift of some advertising and other administrative expenses from 2008 to 2009 is reflected.

The baseline assumes headcount levels of 705 employees at MTA Headquarters and 784 employees in Public Safety, totaling 1,489 employees. This reflects IESS required positions being included into the July Plan headcount levels.

2009 Final Proposed Budget- Baseline

MTA Headquarters projects a Baseline Deficit of \$382.948 million in the 2009 Final Proposed Budget before PEGs. This is \$10.755 million higher than the 2009 Preliminary Budget Baseline Deficit of \$372.194 million. The Final Proposed Budget includes IESS/C3 expenses and MTA-wide maintenance contract costs. The majority of the increase results from the shift of advertising and other administrative expenses from 2008 to 2009 to better reflect the spending required for the MTA Image Campaign and the work of the MTA Sustainability Commission, in addition to higher Support for Subsidiaries.

The baseline budget assumes the inclusion of IESS related positions, resulting in headcount levels of 710 employees at MTA Headquarters and 784 employees in Public Safety, for a total of 1,494 employees. The below-the-line 2009 PEGs and Post 2009 PEG actions are discussed in Gap closing measures.

2010-2012 Projections

The Baseline Deficits of \$380.918 million in 2010, \$391.388 million in 2011, and \$400.825 million in 2012 are consistent with the July 2008 Plan with minor adjustments reflecting updated inflation, fringe benefit costs and Support to MTA Subsidiaries payments. These baseline deficits are \$1.900 million unfavorable, \$0.056 million favorable, and \$0.549 million unfavorable, respectively, when compared to the July 2008 Financial Plan.,

Gap Closing Measures

2009 Programs to Eliminate the Gap

Throughout MTA Headquarters several departments have been able to achieve savings through targeted reductions in administrative expenses in both MTA Headquarters and the MTA Police. This has enabled MTA Headquarters to provide 2009 savings of \$2.446 million. In addition, there have been \$1.044 million in savings that have begun in 2008.

Post-2009 Programs to Eliminate the Gap

Unspecified PEGs are scheduled to begin in 2010 and thereafter. Savings of \$2.162 million, \$4.431 million, and \$6.707 million are expected in 2010, 2011, and 2012, respectively.

MTA HEADQUARTERS
November Financial Plan 2009-2012
Accrual Statement of Operations by Category
(\$ in millions)

NON-REIMBURSABLE						
	2007	2008	2009			
	Actual	November Forecast	Final Proposed Budget	2010	2011	2012
Operating Revenue						
Fare Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	-	-	-	-	-	-
<u>Other Operating Revenue</u>						
Rental Income	46.513	47.494	48.702	49.612	50.719	51.835
Other	<u>3.991</u>	<u>3.639</u>	<u>3.605</u>	<u>3.672</u>	<u>3.754</u>	<u>3.837</u>
Total Other Operating Revenue	\$50.504	51.133	52.307	53.285	54.473	55.672
Capital and Other Reimbursements	-	-	-	-	-	-
Total Revenue	\$50.504	\$51.133	\$52.307	\$53.285	\$54.473	\$55.672
Operating Expenses						
<u>Labor:</u>						
Payroll	\$114.940	129.932	\$126.684	\$130.294	\$133.765	\$136.752
Overtime	12.439	14.289	14.703	14.991	15.299	15.655
Health and Welfare	14.584	15.553	16.029	17.638	19.389	21.230
OPEB Current Payment	4.300	5.300	6.500	7.900	9.400	11.100
Pensions	15.851	14.920	17.083	18.730	20.455	22.034
Other Fringe Benefits	3.947	10.807	9.760	10.221	10.724	11.202
Reimbursable Overhead	(31.401)	(43.155)	(43.794)	(44.557)	(45.559)	(46.636)
Total Labor Expenses	\$134.660	\$147.645	\$146.964	\$155.216	\$163.474	\$171.337
<u>Non-Labor:</u>						
Traction and Propulsion Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel for Buses and Trains	-	-	-	-	-	-
Insurance	10.213	(6.870)	3.495	3.855	4.251	4.687
Claims	-	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	22.844	29.067	41.746	42.685	43.383	44.086
Professional Service Contracts	46.174	38.061	48.165	46.529	47.577	48.634
Materials & Supplies	2.862	4.144	3.096	3.154	3.224	3.295
<u>Other Business Expenses</u>						
MTA Internal Subsidy	45.253	41.439	49.715	44.833	44.549	45.985
Other	<u>36.391</u>	<u>49.170</u>	<u>46.803</u>	<u>42.621</u>	<u>43.616</u>	<u>44.472</u>
Total Other Business Expenses	81.644	90.609	96.518	87.455	88.165	90.457
Total Non-Labor Expenses	\$163.737	\$155.011	\$193.020	\$183.677	\$186.600	\$191.160
<u>Other Expenses Adjustments:</u>						
Other	-	-	-	-	-	-
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation and GASB Adjs.	\$298.397	\$302.656	\$339.984	\$338.893	\$350.073	\$362.497
Depreciation	\$29.615	26.144	31.071	28.210	25.588	20.800
OPEB Obligation	58.300	61.200	64.200	67.100	70.200	73.200
Total Expenses	\$386.312	\$390.001	\$435.255	\$434.203	\$445.861	\$456.497
Baseline Surplus/(Deficit)	(\$335.808)	(\$338.867)	(\$382.948)	(\$380.918)	(\$391.388)	(\$400.825)
2009 Program to Eliminate the Gap (PEGs)	-	1.044	2.446	2.498	2.556	2.609
Post 2009 Program to Eliminate the Gap (PEGs)	-	0.000	0.000	2.162	4.431	6.707
Net Surplus/(Deficit)	(\$335.808)	(\$337.823)	(\$380.502)	(\$376.258)	(\$384.401)	(\$391.509)
Business Service Center - HQ Savings	-	-	1.458	1.501	10.130	10.809
Business Service Center Operating Expense	-	-	(17.942)	(19.817)	(57.636)	(43.409)

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MTA HEADQUARTERS
November Financial Plan 2009-2012
Accrual Statement of Operations by Category
(\$ in millions)

NON-REIMBURSABLE / REIMBURSABLE						
	2007	2008	2009			
	Actual	November Forecast	Final Proposed Budget	2010	2011	2012
Revenue						
Fare Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	-	-	-	-	-	-
<u>Other Operating Revenue</u>						
Rental Income	\$46.513	\$47.494	\$48.702	\$49.612	\$50.719	\$51.835
Data Center Billings	0.000	0.000	0.000	0.000	0.000	0.000
<u>Other</u>	<u>3.991</u>	<u>3.639</u>	<u>3.605</u>	<u>3.672</u>	<u>3.754</u>	<u>3.837</u>
Total Other Operating Revenue	50.504	51.133	52.307	53.285	54.473	55.672
Capital and Other Reimbursements	35.891	51.872	62.145	71.832	77.010	78.325
Total Revenue	\$86.395	\$103.006	\$114.452	\$125.117	\$131.483	\$133.996
Expenses						
<u>Labor:</u>						
Payroll	\$116.560	\$132.750	\$130.453	\$134.199	\$137.790	\$140.813
Overtime	12.439	14.296	14.703	14.991	15.299	15.655
Health and Welfare	14.715	15.842	16.550	18.214	20.022	21.913
OPEB Current Payment	4.300	5.300	6.500	7.900	9.400	11.100
Pensions	15.957	15.189	17.461	19.128	20.875	22.467
Other Fringe Benefits	4.328	11.045	10.060	10.538	11.058	11.547
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor expenses	\$168.299	\$194.422	\$195.727	\$204.970	\$214.445	\$223.495
<u>Non-Labor:</u>						
Traction and Propulsion Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel for Buses and Trains	-	-	-	-	-	-
Insurance	10.213	(6.764)	3.601	3.972	4.370	4.808
Claims	-	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	22.844	29.067	41.778	42.718	43.416	44.121
Professional Service Contracts	48.413	42.875	61.243	68.289	73.290	74.468
Materials & Supplies	2.868	4.233	3.172	3.232	3.304	3.377
<u>Other Business Expenses</u>						
MTA Internal Subsidy	45.253	41.439	49.715	44.833	44.549	45.985
<u>Other Business Expenses</u>	<u>36.397</u>	<u>49.256</u>	<u>46.893</u>	<u>42.712</u>	<u>43.709</u>	<u>44.567</u>
Total Other Business Expenses	81.650	90.695	96.608	87.546	88.258	90.553
Total Non-Labor expenses	\$165.988	\$160.106	\$206.402	\$205.756	\$212.639	\$217.326
<u>Other Expenses Adjustments:</u>						
Other	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation and GASB Adj.	\$334.287	\$354.528	\$402.129	\$410.725	\$427.084	\$440.821
Depreciation	29.615	26.144	31.071	28.210	25.588	20.800
OPEB Obligation	58.300	61.200	64.200	67.100	70.200	73.200
Total Expenses	\$422.202	\$441.872	\$497.400	\$506.035	\$522.872	\$534.821
Baseline Surplus/(Deficit)	(\$335.807)	(\$338.867)	(\$382.948)	(\$380.918)	(\$391.388)	(\$400.825)
2009 Program to Eliminate the Gap (PEGs)	0.000	1.044	2.446	2.498	2.556	2.609
Post 2009 Program to Eliminate the Gap (PEGs)	0.000	0.000	0.000	2.162	4.431	6.707
Net Surplus/(Deficit)	(\$335.807)	(\$337.823)	(\$380.502)	(\$376.258)	(\$384.401)	(\$391.509)
Business Service Center - HQ Savings	-	-	1.458	1.501	10.130	10.809
Business Service Center Operating Expense	-	-	(17.942)	(19.817)	(57.636)	(43.409)

MTA HEADQUARTERS
November Financial Plan 2009-2012
Cash Receipts & Expenditures
(\$ in millions)

CASH RECEIPTS AND EXPENDITURES						
	2007	2008	2009			
	Actual	November Forecast	Final Proposed Budget	2010	2011	2012
Receipts						
Fare Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	-	-	-	-	-	-
<u>Other Operating Revenue</u>						
Rental Income	\$46.513	\$47.494	\$48.702	\$49.612	\$50.719	\$51.835
Data Center Billings	-	-	-	-	-	-
<u>Other</u>	<u>5.208</u>	<u>6.789</u>	<u>7.263</u>	<u>7.406</u>	<u>7.560</u>	<u>7.720</u>
Total Other Operating Revenue	51.721	54.283	55.965	57.018	58.279	59.555
Capital and Other Reimbursements	35.891	50.376	62.145	71.832	77.010	78.325
Total Receipts	\$87.612	\$104.660	\$118.110	\$128.851	\$135.289	\$137.880
Expenditures						
<u>Labor:</u>						
Payroll	\$115.028	\$127.883	\$127.213	\$130.892	\$134.420	\$137.374
Overtime	12.439	14.296	14.703	14.991	15.299	15.655
Health and Welfare	14.867	13.662	15.555	17.177	18.948	20.818
OPEB Current Payment	4.300	5.300	6.500	7.900	9.400	11.100
Pensions	20.637	14.814	17.133	18.833	20.609	22.228
Other Fringe Benefits	3.660	11.179	10.011	10.486	11.003	11.490
GASB Account	-	0.939	0.995	1.036	1.074	1.095
Reimbursable Overhead	-	-	-	-	-	-
Total Labor Expenditures	\$170.931	\$188.073	\$192.109	\$201.315	\$210.753	\$219.759
<u>Non-Labor:</u>						
Traction and Propulsion Power						
Fuel for Buses and Trains						
Insurance	3.114	3.253	3.474	3.832	4.217	4.639
Claims	-	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	20.642	29.569	40.263	41.172	41.840	42.512
Professional Service Contracts	41.618	46.460	58.777	65.725	70.640	71.766
Materials & Supplies	2.607	4.281	3.016	3.071	3.140	3.209
<u>Other Business Expenses</u>						
MTA Internal Subsidy	45.349	41.439	49.715	44.833	44.549	45.985
<u>Other Business Expenses</u>	<u>119.634</u>	<u>43.372</u>	<u>44.806</u>	<u>40.582</u>	<u>41.533</u>	<u>42.353</u>
Total Other Business Expenses	164.983	84.811	94.521	85.415	86.083	88.338
Total Non-Labor Expenditures	\$232.964	\$168.375	\$200.051	\$199.216	\$205.921	\$210.465
<u>Other Expenditure Adjustments:</u>						
Capital	\$9.886	\$11.209	\$25.964	\$25.174	\$20.800	\$20.800
Business Service Center	0.000	(5.334)	0.000	0.000	0.000	0.000
Total Other Expenditure Adjustments	\$9.886	\$5.875	\$25.964	\$25.174	\$20.800	\$20.800
Total Expenditures	\$413.781	\$362.323	\$418.124	\$425.705	\$437.474	\$451.025
Baseline Cash Deficit	(\$326.169)	(\$257.664)	(\$300.014)	(\$296.855)	(\$302.185)	(\$313.145)
2009 Program to Eliminate the Gap (PEGs)	0.000	1.044	2.446	2.498	2.556	2.609
Post-2009 Program to Eliminate the Gap (PEGs)	0.000	0.000	0.000	2.162	4.431	6.707
Net Cash Deficit	(\$326.169)	(\$256.620)	(\$297.568)	(\$292.195)	(\$295.198)	(\$303.829)
Business Service Center - HQ Savings	-	-	1.458	1.501	10.130	10.809
Business Service Center Operating Expense	-	-	(17.942)	(19.817)	(57.636)	(43.409)

MTA HEADQUARTERS
November Financial Plan 2009-2012
Cash Conversion (Cash Flow Adjustments)
(\$ in millions)

CASH FLOW ADJUSTMENTS						
	2007	2008	2009			
	Actual	November Forecast	Final Proposed Budget	2010	2011	2012
Receipts						
Fare Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	1.217	3.150	3.658	3.733	3.806	3.883
Capital and Other Reimbursements	0.000	(1.496)	0.000	0.000	0.000	0.000
Total Receipts	\$1.217	\$1.654	\$3.658	\$3.733	\$3.806	\$3.883
Expenditures						
<u>Labor:</u>						
Payroll	1.532	\$4.867	\$3.240	\$3.306	\$3.371	\$3.439
Overtime	-	-	-	-	-	-
Health and Welfare	(0.152)	2.180	0.995	1.036	1.074	1.095
OPEB Current Payment	0.000	0.000	0.000	0.000	0.000	0.000
Pensions	(4.680)	0.375	0.329	0.296	0.266	0.239
Other Fringe Benefits	0.668	(0.134)	0.050	0.052	0.055	0.057
GASB Account	0.000	(0.939)	(0.995)	(1.036)	(1.074)	(1.095)
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenditures	(\$2.632)	\$6.349	\$3.618	\$3.654	\$3.691	\$3.736
<u>Non-Labor:</u>						
Traction and Propulsion Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel for Buses and Trains	-	-	-	-	-	-
Insurance	7.099	(10.018)	0.127	0.139	0.153	0.168
Claims	-	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	2.202	(0.502)	1.515	1.546	1.576	1.608
Professional Service Contracts	6.795	(3.585)	2.465	2.563	2.650	2.702
Materials & Supplies	0.261	(0.048)	0.157	0.160	0.164	0.167
<u>Other Business Expenses</u>						
MTA Internal Subsidy	(0.096)	-	-	-	-	-
Other Business Expenses	(83.237)	5.884	2.087	2.131	2.175	2.214
Total Other Business Expenses	(83.333)	5.884	2.087	2.131	2.175	2.214
Total Non-Labor Expenditures	(\$66.976)	(\$8.269)	\$6.351	\$6.540	\$6.718	\$6.860
<u>Other Expenditure Adjustments:</u>						
Capital	(\$9.886)	(\$11.209)	(\$25.964)	(\$25.174)	(\$20.800)	(\$20.800)
BSC	0.000	5.334	0.000	0.000	0.000	0.000
Total Other Expenditure Adjustments	(\$9.886)	(\$5.875)	(\$25.964)	(\$25.174)	(\$20.800)	(\$20.800)
Total Cash Conversion Adjustments before Depreciation and GASB Adjs.	(\$78.277)	(\$6.141)	(\$12.337)	(\$11.247)	(\$6.585)	(\$6.320)
Depreciation Adjustment	29.615	26.144	31.071	28.210	25.588	20.800
OPEB Obligation	58.300	61.200	64.200	67.100	70.200	73.200
Baseline Total Cash Conversion Adjustments	\$9.638	\$81.203	\$82.934	\$84.063	\$89.203	\$87.680
2009 Program to Eliminate the Gap (PEGs)	0.000	0.000	0.000	0.000	0.000	0.000
Post 2009 Program to Eliminate the Gap (PEGs)	0.000	0.000	0.000	0.000	0.000	0.000
Total Cash Conversion Adjustments	\$9.638	\$81.203	\$82.934	\$84.063	\$89.203	\$87.680

**MTA Headquarters
November Financial Plan 2009-2012
Year-to-Year Changes by Category
Accrual and Cash**

Baseline Assumptions:

The following explanations refer to the year-to-year variances in MTA Baseline assumptions for the November Financial Plan 2009-2012:

Receipts:

Rental Income, Data Center Billings, and Other

- Charge backs to Agencies for work performed by MTA Headquarters on their behalf are inflated by the CPI-Urban in 2009, 2010, 2011 and 2012 at 2.94%, 1.87%, 2.23%, and 2.20% respectively

Expenditures:

Payroll

- Increases in the November Financial Plan from the July Financial Plan in 2009 primarily reflect the effect of updated wage inflators.
- MTA Headquarters and MTA Police Civilians salaries in 2009, 2010, 2011 and 2012 are inflated at the non-represented wage growth assumption rates of 3.00%, 1.87%, 2.23%, and 2.20%, respectively.
- MTA Police represented salaries are inflated according to prevailing patterned bargaining rates.

Overtime

- 2009, 2010, 2011, and 2012 overtime rates are inflated by prevailing pattern bargaining rates.

Health and Welfare

- Health and Welfare decreases in the November Financial Plan from the July Financial Plan reflect updated fringe benefit assumptions.
- Expenses in 2009 are projected to increase at a rate of 7.7% over 2008 and 7.3% in each year thereafter. Other post-employment benefit costs are also included in each year.

Pensions

- Pensions changes in the November Financial Plan from the July Financial Plan in 2009 primarily reflect updated fringe benefit assumptions.
- Thereafter, increases in all years of the plan for 2009, 2010 and 2011 are consistent with current actuarial information.

Other Fringe Benefits

- Increases in all years of the plan for 2009, 2010, 2011 and 2012 are inflated by the CPI-Urban 2.94%, 1.87%, 2.23, and 2.20%.

Insurance

- Insurance expense in 2009 is unchanged from the July Financial Plan.
- Thereafter 2010, 2011, and 2012 are inflated at approximately 10% annually with some off-setting adjustments.

Maintenance and Other Operating Contracts

- 2009 maintenance and other expenses increase as a result of updated inflation information.
- Thereafter 2010, 2011, and 2012 are inflated by 1.87%, 2.23%, and 2.20%, respectively.

Professional Service Contracts

- Increases in the November Financial Plan from the July Financial Plan in 2009 are primarily attributable to a shift in expenses from 2008. This will not result in an overall increase in MTA Headquarters expenses. In addition, an increase as a result of updated inflation information is also experienced.
- Thereafter, 2010, 2011, and 2012 are inflated at 1.87%, 2.23%, and 2.20% respectively, with adjustments made to reflect the conclusion of some currently contracted services.

Materials & Supplies

- Expenses in 2009 are virtually unchanged from the July Financial Plan.
- Thereafter 2010, 2011, and 2012 are inflated by 1.87%, 2.23%, and 2.20%, respectively.

MTA Internal Subsidy

- All years reflect MTA support requirements for SIRTOA and Long Island Bus and the Cross Bay Toll based on projected revenue and support shortfalls from state and local governments. A more detailed discussion is included in the "MTA Subsidy to Subsidiaries" portion of the "Subsidy" section.

Other Business Expenses

- Increases in 2009 are primarily attributable to a shift in expenses from 2008. All years of the plan for 2010, 2011, and 2012 are inflated by 1.87%, 2.23%, 2.20%, respectively, with adjustments made to reflect the conclusion of some currently contracted services.

Other Expenditure Adjustments:

Capital Expenditures

- Capital expenditures in 2009 are \$25.964 million, reflecting a shift in expected project levels from 2008.
- Thereafter, expenditures for 2010 are \$25.174 million and \$20.800 million for 2011 and 2012.

MTA HEADQUARTERS
November Financial Plan 2009 - 2012
Year-to-Year Changes by Category - Accrual Basis
(\$ in millions)

NON-REIMBURSABLE

	Favorable/(Unfavorable)								
	2008	2009	Change 2009 - 2008	2010	Change 2010 - 2009	2011	Change 2011 - 2010	2012	Change 2012 - 2011
Revenue									
Farebox Revenue									
Vehicle Toll Revenue									
Other Operating Revenue									
Rental Income	\$47.494	\$48.702	\$1.207	\$49.612	\$0.911	\$50.719	\$1.106	\$51.835	\$1.116
Data Center Billings	-	-	-	-	-	-	-	-	-
Other	3.639	3.605	(0.034)	3.672	0.067	3.754	0.082	3.837	0.083
Capital and Other Reimbursements	-	-	-	-	-	-	-	-	-
Total Revenue	\$51.133	\$52.307	\$1.173	\$53.285	\$0.978	\$54.473	\$1.188	\$55.672	\$1.198
Expenses									
Labor:									
Payroll	\$129.932	\$126.684	\$3.249	\$130.294	(\$3.611)	\$133.765	(\$3.471)	\$136.752	(\$2.987)
Overtime	14.289	14.703	(0.414)	14.991	(0.288)	15.299	(0.308)	15.655	(0.356)
Health and Welfare	15.553	16.029	(0.476)	17.638	(1.609)	19.389	(1.751)	21.230	(1.841)
OPEB Current Payment	5.300	6.500	(1.200)	7.900	(1.400)	9.400	(1.500)	11.100	(1.700)
Pensions	14.920	17.083	(2.163)	18.730	(1.647)	20.455	(1.726)	22.034	(1.579)
Other Fringe Benefits	10.807	9.760	1.047	10.221	(0.461)	10.724	(0.503)	11.202	(0.478)
Reimbursable Overhead	(43.155)	(43.794)	0.639	(44.557)	0.763	(45.559)	1.002	(46.636)	1.077
Total Labor Expenses	\$147.645	\$146.964	\$0.681	\$155.216	(\$8.252)	\$163.474	(\$8.257)	\$171.337	(\$7.863)
Non-Labor:									
Traction and Propulsion Power	-	-	-	-	-	-	-	-	-
Fuel for Buses and Trains	-	-	-	-	-	-	-	-	-
Insurance	(6.870)	3.495	(10.365)	3.855	(0.360)	4.251	(0.396)	4.687	(0.436)
Claims	-	-	-	-	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-	-	-	-	-
Maintenance and Other Operating Contracts	29.067	41.746	(12.678)	42.685	(0.939)	43.383	(0.698)	44.086	(0.704)
Professional Service Contracts	38.061	48.165	(10.105)	46.529	1.637	47.577	(1.048)	48.634	(1.057)
Materials & Supplies	4.144	3.096	1.049	3.154	(0.058)	3.224	(0.070)	3.295	(0.071)
MTA Internal Subsidy	41.439	49.715	(8.276)	44.833	4.882	44.549	0.284	45.985	(1.436)
Other Business Expenses	49.170	46.803	2.367	42.621	4.182	43.616	(0.994)	44.472	(0.857)
Total Non-Labor Expenses	\$155.011	\$193.020	(\$38.009)	\$183.677	\$9.343	\$186.600	(\$2.923)	\$191.160	(\$4.560)
Other Expenses Adjustments:									
Other	-	-	-	-	-	-	-	-	-
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation	\$302.656	\$339.984	(\$37.328)	\$338.893	\$1.091	\$350.073	(\$11.180)	\$362.497	(\$12.423)
Depreciation	\$26.144	\$31.071	(\$4.927)	\$28.210	\$2.861	\$25.588	\$2.622	\$20.800	\$4.788
OPEB Obligation	61.200	64.200	(3.000)	67.100	(2.900)	70.200	(3.100)	73.200	(3.000)
Total Expenses	\$390.001	\$435.255	(\$45.254)	\$434.203	\$1.052	\$445.861	(\$11.658)	\$456.497	(\$10.635)
Baseline Net Surplus/(Deficit)	(\$338.867)	(\$382.948)	(\$44.081)	(\$380.918)	\$2.030	(\$391.388)	(\$10.470)	(\$400.825)	(\$9.437)
2009 Agency Program to Eliminate the Gap (PEGs)	1.044	2.446	1.402	2.498	0.052	2.556	0.058	2.609	0.053
Post 2009 Program to Eliminate the Gap	-	-	-	2.162	2.162	4.431	2.269	6.707	2.276
Net Surplus/(Deficit)	(\$337.823)	(\$380.502)	(\$42.679)	(\$376.258)	\$4.244	(\$384.401)	(\$8.143)	(\$391.509)	(\$7.108)
Business Service Center - HQ Savings	-	1.458	1.458	10.130	8.672	11.093	0.963	11.687	0.594
Business Service Center Operating Expense	-	(17.942)	(17.942)	(57.636)	(39.694)	(43.765)	13.871	(46.036)	(2.271)

MTA HEADQUARTERS
November Financial Plan 2009 - 2012
Year-to-Year Changes by Category - Accrual Basis
(\$ in millions)

REIMBURSABLE

	Favorable/(Unfavorable)								
	2008	2009	Change 2009 - 2008	2010	Change 2010 - 2009	2011	Change 2011 - 2010	2012	Change 2012 - 2011
<u>Revenue</u>									
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	-	-	-	-	-	-	-	-	-
Other Operating Revenue	-	-	-	-	-	-	-	-	-
Rental Income	-	-	-	-	-	-	-	-	-
Data Center Billings	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Capital and Other Reimbursements	51.872	62.145	10.273	71.832	9.687	77.010	5.178	78.325	1.314
Total Revenue	\$51.872	\$62.145	\$10.273	\$71.832	\$9.687	\$77.010	\$5.178	\$78.325	\$1.314
<u>Expenses</u>									
Labor:									
Payroll	\$2.817	\$3.769	(\$0.952)	\$3.905	(\$0.135)	\$4.025	(\$0.121)	\$4.062	(\$0.036)
Overtime	0.007	-	0.007	-	-	-	-	-	-
Health and Welfare	0.290	0.521	(0.231)	0.575	(0.054)	0.633	(0.058)	0.682	(0.050)
OPEB Current Payment	-	-	-	-	-	-	-	-	-
Pensions	0.270	0.378	(0.109)	0.399	(0.021)	0.420	(0.021)	0.433	(0.013)
Other Fringe Benefits	0.238	0.301	(0.063)	0.317	(0.016)	0.334	(0.017)	0.345	(0.011)
Reimbursable Overhead	43.155	43.794	(0.639)	44.557	(0.763)	45.559	(1.002)	46.636	(1.077)
Total Labor Expenses	\$46.777	\$48.763	(\$1.987)	\$49.753	(\$0.990)	\$50.971	(\$1.218)	\$52.159	(\$1.187)
Non-Labor:									
Traction and Propulsion Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel for Buses and Trains	-	-	-	-	-	-	-	-	-
Insurance	0.106	0.106	(0.000)	0.117	(0.011)	0.119	(0.002)	0.121	(0.002)
Claims	-	-	-	-	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-	-	-	-	-
Maintenance and Other Operating Contracts	-	0.032	(0.032)	0.033	(0.001)	0.034	(0.001)	0.035	(0.001)
Professional Service Contracts	4.814	13.077	(8.263)	21.760	(8.683)	25.713	(3.953)	25.834	(0.121)
Materials & Supplies	0.089	0.077	0.012	0.078	(0.001)	0.080	(0.002)	0.082	(0.002)
MTA Internal Subsidy	-	-	-	-	-	-	-	-	-
Other Business Expenses	0.086	0.089	(0.003)	0.091	(0.002)	0.093	(0.002)	0.095	(0.002)
Total Non-Labor Expenses	\$5.095	\$13.382	(\$8.287)	\$22.079	(\$8.697)	\$26.039	(\$3.960)	\$26.166	(\$0.127)
Other Expenses Adjustments:									
Other	-	-	-	-	-	-	-	-	-
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation	\$51.872	\$62.145	(\$10.273)	\$71.832	(\$9.687)	\$77.010	(\$5.178)	\$78.325	(\$1.314)
Depreciation	-	-	-	-	-	-	-	-	-
OPEB Obligation	-	-	-	-	-	-	-	-	-
Total Expenses	\$51.872	\$62.145	(\$10.273)	\$71.832	(\$9.687)	\$77.010	(\$5.178)	\$78.325	(\$1.314)
Baseline Net Surplus/(Deficit)	\$0.000	\$0.000	(\$0.000)	\$0.000	\$0.000	\$0.000	(\$0.001)	\$0.000	\$0.000
2009 Agency Program to Eliminate the Gap (PEGs)	-	-	-	-	-	-	-	-	-
Post 2009 Program to Eliminate the Gap	-	-	-	-	-	-	-	-	-
Net Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	(\$0.001)	\$0.000	\$0.000

MTA HEADQUARTERS
November Financial Plan 2009 - 2012
Year-to-Year Changes by Category - Accrual Basis
(\$ in millions)

NON-REIMBURSABLE and REIMBURSABLE

	2008	2009	Change 2009 - 2008	2010	Change 2010 - 2009	2011	Change 2011 - 2010	2012	Change 2012 - 2011
Revenue									
Farebox Revenue									
Vehicle Toll Revenue									
Other Operating Revenue									
Rental Income	\$47.494	\$48.702	\$1.207	\$49.612	\$0.911	\$50.719	\$1.106	\$51.835	\$1.116
Data Center Billings	-	-	-	-	-	-	-	-	-
Other	3.639	3.605	(0.034)	3.672	0.067	3.754	0.082	3.837	0.083
Capital and Other Reimbursements	51.872	62.145	10.273	71.832	9.687	77.010	5.178	78.325	1.314
Total Revenue	\$103.006	\$114.452	\$11.446	\$125.117	\$10.665	\$131.483	\$6.366	\$133.996	\$2.513
Expenses									
Labor:									
Payroll	\$132.750	\$130.453	\$2.297	\$134.199	(\$3.746)	\$137.790	(\$3.591)	\$140.813	(\$3.023)
Overtime	14.296	14.703	(0.407)	14.991	(0.288)	15.299	(0.308)	15.655	(0.356)
Health and Welfare	15.842	16.550	(0.708)	18.214	(1.664)	20.022	(1.808)	21.913	(1.891)
OPEB Current Payment	5.300	6.500	(1.200)	7.900	(1.400)	9.400	(1.500)	11.100	(1.700)
Pensions	15.189	17.461	(2.272)	19.128	(1.667)	20.875	(1.747)	22.467	(1.592)
Other Fringe Benefits	11.045	10.060	0.985	10.538	(0.477)	11.058	(0.520)	11.547	(0.489)
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenses	\$194.422	\$195.727	(\$1.305)	\$204.970	(\$9.242)	\$214.445	(\$9.475)	\$223.495	(\$9.050)
Non-Labor:									
Traction and Propulsion Power	-	-	-	-	-	-	-	-	-
Fuel for Buses and Trains	-	-	-	-	-	-	-	-	-
Insurance	(6.764)	3.601	(10.365)	3.972	(0.371)	4.370	(0.399)	4.808	(0.438)
Claims	-	-	-	-	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-	-	-	-	-
Maintenance and Other Operating Contracts	29.067	41.778	(12.711)	42.718	(0.940)	43.416	(0.698)	44.121	(0.704)
Professional Service Contracts	42.875	61.243	(18.368)	68.289	(7.046)	73.290	(5.001)	74.468	(1.178)
Materials & Supplies	4.233	3.172	1.061	3.232	(0.059)	3.304	(0.072)	3.377	(0.073)
MTA Internal Subsidy	41.439	49.715	(8.276)	44.833	4.882	44.549	0.284	45.985	(1.436)
Other Business Expenses	49.256	46.893	2.364	42.712	4.181	43.709	(0.996)	44.567	(0.859)
Total Non-Labor Expenses	\$160.106	\$206.402	(\$46.296)	\$205.756	\$0.646	\$212.639	(\$6.883)	\$217.326	(\$4.687)
Other Expenses Adjustments:									
Other	-	-	-	-	-	-	-	-	-
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation	\$354.528	\$402.129	(\$47.601)	\$410.725	(\$8.596)	\$427.084	(\$16.358)	\$440.821	(\$13.738)
Depreciation	\$26.144	\$31.071	(\$4.927)	\$28.210	\$2.861	\$25.588	\$2.622	\$20.800	\$4.788
OPEB Obligation	61.200	64.200	(3.000)	67.100	(2.900)	70.200	(3.100)	73.200	(3.000)
Total Expenses	\$441.872	\$497.400	(\$55.528)	\$506.035	(\$8.635)	\$522.872	(\$16.836)	\$534.821	(\$11.950)
Baseline Net Surplus/(Deficit)	(\$338.867)	(\$382.948)	(\$44.081)	(\$380.918)	\$2.030	(\$391.388)	(\$10.470)	(\$400.825)	(\$9.437)
2009 Agency Program to Eliminate the Gap (PEGs)	\$1.044	\$2.446	\$1.402	\$2.498	\$0.052	\$2.556	\$0.058	\$2.609	0.053
Post 2009 Program to Eliminate the Gap	-	-	-	2.162	2.162	4.431	2.269	6.707	2.276
Net Surplus/(Deficit)	(\$337.823)	(\$380.502)	(\$42.679)	(\$376.258)	\$4.244	(\$384.401)	(\$8.143)	(\$391.509)	(\$7.108)
Business Service Center - HQ Savings	\$0.000	\$1.458	1.458	\$1.501	0.044	\$10.130	8.629	\$10.809	0.679
Business Service Center Operating Expense	-	(17.942)	(17.942)	(\$19.817)	(1.875)	(\$57.636)	(37.819)	(\$43.409)	14.227

MTA HEADQUARTERS
November Financial Plan 2009 - 2012
Year-to-Year Changes by Category - Cash Basis
(\$ in millions)

CASH RECEIPTS & EXPENDITURES

	2008	2009	Change 2009 - 2008	2010	Change 2010 - 2009	2011	Change 2011 - 2010	2012	Change 2012 - 2011
Receipts									
Farebox Revenue									
Vehicle Toll Revenue									
Other Operating Revenue									
Rental Income	\$47.494	\$48.702	\$1.207	\$49.612	\$0.911	\$50.719	\$1.106	\$51.835	\$1.116
Data Center Billings	-	-	-	-	-	-	-	-	-
Other	6.789	7.263	0.474	7.406	0.142	7.560	0.154	7.720	0.160
Capital and Other Reimbursements	50.376	62.145	11.769	71.832	9.687	77.010	5.178	78.325	1.314
Total Receipts	\$104.660	\$118.110	\$13.451	\$128.851	\$10.740	\$135.289	\$6.439	\$137.880	\$2.590
Expenditures									
Labor:									
Payroll	\$127.883	\$127.213	\$0.670	\$130.892	(\$3.680)	\$134.420	(\$3.527)	\$137.374	(\$2.954)
Overtime	14.296	14.703	(0.407)	14.991	(0.288)	15.299	(0.308)	15.655	(0.356)
Health and Welfare	13.662	15.555	(1.893)	17.177	(1.622)	18.948	(1.771)	20.818	(1.870)
OPEB Current Payment	5.300	6.500	(1.200)	7.900	(1.400)	9.400	(1.500)	11.100	(1.700)
Pensions	14.814	17.133	(2.318)	18.833	(1.700)	20.609	(1.776)	22.228	(1.619)
Other Fringe Benefits	11.179	10.011	1.169	10.486	(0.475)	11.003	(0.518)	11.490	(0.486)
GASB Account	0.939	0.995	(0.056)	1.036	(0.042)	1.074	(0.038)	1.095	(0.021)
Reimbursable Overhead	-	-	-	-	-	-	-	-	-
Total Labor Expenditures	\$188.073	\$192.109	(\$4.036)	\$201.315	(\$9.206)	\$210.753	(\$9.438)	\$219.759	(\$9.006)
Non-Labor:									
Traction and Propulsion Power	-	-	-	-	-	-	-	-	-
Fuel for Buses and Trains	-	-	-	-	-	-	-	-	-
Insurance	3.253	3.474	(0.221)	3.832	(0.358)	4.217	(0.385)	4.639	(0.422)
Claims	-	-	-	-	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-	-	-	-	-
Maintenance and Other Operating Contracts	29.569	40.263	(10.694)	41.172	(0.909)	41.840	(0.668)	42.512	(0.672)
Professional Service Contracts	46.460	58.777	(12.317)	65.725	(6.948)	70.640	(4.915)	71.766	(1.126)
Materials & Supplies	4.281	3.016	1.266	3.071	(0.056)	3.140	(0.069)	3.209	(0.069)
MTA Internal Subsidy	41.439	49.715	(8.276)	44.833	4.882	44.549	0.284	45.985	(1.436)
Other Business Expenses	43.372	44.806	(1.434)	40.582	4.224	41.533	(0.952)	42.353	(0.820)
Total Non-Labor Expenditures	\$168.375	\$200.051	(\$31.676)	\$199.216	\$0.835	\$205.921	(\$6.704)	\$210.465	(\$4.545)
Other Expenditure Adjustments:									
Other	\$11.209	\$25.964	(\$14.755)	\$25.174	\$0.790	\$20.800	\$4.374	\$20.800	\$0.000
Business Service Center	(5.334)	-	(5.334)	-	-	-	-	-	-
Total Other Expenditure Adjustments	\$5.875	\$25.964	(\$20.089)	\$25.174	\$0.790	\$20.800	\$4.374	\$20.800	\$0.000
Total Expenditures	\$362.323	\$418.124	(\$55.801)	\$425.705	(\$7.581)	\$437.474	(\$11.769)	\$451.025	(\$13.551)
Baseline Net Cash Deficit	(\$257.664)	(\$300.014)	(\$42.350)	(\$296.855)	\$3.159	(\$302.185)	(\$5.330)	(\$313.145)	(\$10.960)
2009 Agency Program to Eliminate the Gap (PEGs)									
Post 2009 Program to Eliminate the Gap	\$1.044	\$2.446	\$1.402	\$2.498	\$0.052	\$2.556	\$0.058	\$2.609	\$0.053
	-	-	-	2.162	2.162	4.431	2.269	6.707	2.276
Net Cash Deficit	(\$256.620)	(\$297.568)	(\$40.948)	(\$292.195)	\$5.373	(\$295.198)	(\$3.003)	(\$303.829)	(\$8.632)
Business Service Center - HQ Savings									
Business Service Center - HQ Savings	-	1.458	1.458	1.501	0.044	10.130	8.629	10.809	0.679
Business Service Center Operating Expense	-	(17.942)	(17.942)	(19.817)	(1.875)	(57.636)	(37.819)	(43.409)	14.227

**MTA Headquarters
November Financial Plan 2009-2012
Summary of Major Plan-to-Plan Changes**

The following explanations summarize the total differences between the November Financial Plan and the July Financial Plan:

2008: November Financial Plan vs. July Financial Plan

The Baseline Cash Deficit in the 2008 November Forecast of \$257.664 million is a \$18.972 million decrease from the July Mid-Year Forecast of \$276.636 million. The decrease primarily reflects some advertising and other miscellaneous expenses transferred from 2008 to 2009, lower Support for Subsidiaries as well as a shift in Operating-Capital funding.

2009: November Financial Plan vs. July Financial Plan

The Baseline Cash Deficit in the 2009 Final Proposed Budget of \$300.014 million is a \$15.919 million increase from the 2009 Preliminary Budget of \$284.095 million. The increase primarily reflects some advertising and other miscellaneous expenses transferred from 2008 to 2009, higher Support for Subsidiaries as well as a shift in Operating-Capital funding.

2010, 2011, 2012: November Financial Plan vs. July Financial Plan

The Baseline Cash Deficit in the 2008 November Financial Plan of \$296.855 million in 2010 is a \$6.274 million increase from the July Plan of \$290.581 million. The Baseline Cash Deficit of \$302.185 million in 2011 is a \$0.056 million decrease from the July Plan of \$302.241 million. The Baseline Cash Deficit of \$313.145 million for 2012 is a \$0.549 million increase from the July Plan of \$312.596 million.

MTA HEADQUARTERS
November Financial Plan 2009 - 2012
Changes Between Financial Plans by Generic Categories
(\$ in millions)

NON-REIMBURSABLE

	2008	2009	2010	2011	2012
Baseline 2008 July Financial Plan - Operating Cash Income/(Deficit)	(\$279.768)	(\$300.325)	(\$310.492)	(\$320.050)	(\$330.974)
IESS Adjustment	3.132	16.230	19.911	17.809	18.378
Baseline 2008 Adjusted July Financial Plan - Operating Cash Income/(Deficit)	(\$276.636)	(\$284.095)	(\$290.581)	(\$302.241)	(\$312.596)
Baseline Changes					
Revenue					
Farebox Revenue					
Vehicle Toll Revenue					
Rental Income	(0.000)	0.449	0.371	0.522	0.614
Data Center Billings	-	-	-	-	-
Other	-	-	(0.006)	0.004	0.010
Capital and Other Reimbursement					
Total Revenue Changes	(\$0.000)	\$0.449	\$0.365	\$0.526	\$0.624
Expenses					
Labor:					
Payroll	(\$6.518)	(\$.079)	\$248	(\$0.051)	(\$0.272)
Overtime	(0.000)	-	-	(0.011)	(0.053)
Health and Welfare	(0.288)	0.216	0.249	0.179	0.103
OPEB Current Payment	-	-	-	-	-
Pensions	1.993	(0.008)	0.076	(0.025)	(0.117)
Other Fringe Benefits	(0.514)	0.026	0.066	0.013	(0.021)
Reimbursable Overhead	(3.549)	0.262	0.181	0.359	0.556
Total Labor Expense Changes	(\$8.877)	\$0.417	\$0.820	\$0.464	\$0.196
Non-Labor:					
Traction and Propulsion Power	-	-	-	-	-
Fuel for Buses and Trains	-	-	-	-	-
Insurance	1.014	-	(0.021)	(0.025)	(0.038)
Claims	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-
Maintenance and Other Operating Contracts	2.902	(0.410)	(0.366)	(0.465)	(0.526)
Professional Service Contracts	9.579	(3.351)	(0.573)	0.043	(0.077)
Materials & Supplies	0.032	(0.012)	0.004	(0.004)	(0.006)
MTA Internal Subsidy	3.551	(2.725)	(2.058)	(0.314)	(0.476)
Other Business Expenses	5.050	(5.123)	(0.068)	(0.169)	(0.245)
Total Non-Labor Expense Changes	\$22.128	(\$11.621)	(\$3.084)	(\$934)	(\$1.368)
Total Expense Changes	\$13.251	(\$11.204)	(\$2.264)	(\$470)	(\$1.172)
Depreciation	\$3.893	\$0.000	\$0.000	\$0.000	\$0.000
OPEB Obligation	(\$0.000)	\$0.000	\$0.000	\$0.000	\$0.000
Cash Adjustment Changes					
Revenue	(\$1.933)	\$0.000	\$0.000	\$0.000	\$0.000
Labor Expense	7.020	-	-	-	-
Non Labor Expense	(10.035)	-	-	-	-
Operating Capital	9.538	(5.164)	(4.374)	-	-
IESS	-	-	-	-	-
Business Service Center	1.131	-	-	-	-
Depreciation	(3.893)	-	-	-	-
OPEB	0.000	-	-	-	-
Total Cash Adjustment Changes	\$1.828	(\$5.164)	(\$4.374)	\$0.000	\$0.000
Total Baseline Changes	\$18.972	(\$15.918)	(\$6.273)	\$0.056	(\$0.548)
Baseline 2008 November Financial Plan - Operating Cash Income/(Deficit)	(\$257.664)	(\$300.013)	(\$296.854)	(\$302.185)	(\$313.144)

MTA HEADQUARTERS
November Financial Plan 2009 - 2012
Changes Between Financial Plans by Generic Categories
(\$ in millions)

REIMBURSABLE

	2008	2009	2010	2011	2012
Baseline 2008 Adjusted July Financial Plan - Operating Cash Income/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Baseline Changes					
Revenue					
Farebox Revenue					
Vehicle Toll Revenue					
Rental Income					
Data Center Billings					
Other					
Capital and Other Reimbursement	(\$2.220)	\$9.300	\$17.077	\$21.091	\$21.196
Total Revenue Changes	(\$2.220)	\$9.300	\$17.077	\$21.091	\$21.196
Expenses					
Labor:					
Payroll	(\$0.052)	(\$0.230)	(\$0.232)	(\$0.186)	(\$0.100)
Overtime	(\$0.007)	\$0.000	\$0.000	\$0.000	\$0.000
Health and Welfare	\$0.053	(\$0.055)	(\$0.059)	(\$0.058)	(\$0.051)
OPEB Current Payment	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Pensions	(\$0.005)	(\$0.044)	(\$0.044)	(\$0.042)	(\$0.036)
Other Fringe Benefits	(\$0.037)	(\$0.038)	(\$0.027)	(\$0.025)	(\$0.019)
Reimbursable Overhead	\$3.549	(\$0.262)	(\$0.181)	(\$0.359)	(\$0.556)
Total Labor Expense Changes	\$3.502	(\$0.629)	(\$0.543)	(\$0.669)	(\$0.762)
Non-Labor:					
Traction and Propulsion Power					
Fuel for Buses and Trains	-	-	-	-	-
Insurance	0.000	-	-	(0.000)	0.000
Claims	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-
Maintenance and Other Operating Contracts	-	(0.024)	(0.024)	(0.023)	(0.024)
Professional Services	(1.282)	(8.584)	(16.450)	(20.339)	(20.350)
Materials & Supplies	(0.000)	(0.031)	(0.029)	(0.027)	(0.028)
MTA Internal Subsidy	-	-	-	-	-
Other Business Expenses	0.000	(0.033)	(0.032)	(0.032)	(0.033)
Total Non-Labor Expense Changes	(\$1.282)	(\$8.672)	(\$16.535)	(\$20.422)	(\$20.434)
Total Expense Changes	\$2.220	(\$9.301)	(\$17.077)	(\$21.091)	(\$21.196)
Cash Adjustment Changes					
Total Cash Adjustment Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Baseline Changes	\$0.000	(\$0.000)	(\$0.000)	\$0.000	(\$0.002)
Baseline 2008 November Financial Plan - Operating Cash Income/(Deficit)	\$0.000	(\$0.000)	(\$0.000)	\$0.000	(\$0.002)

MTA HEADQUARTERS
November Financial Plan 2009 - 2012
Changes Between Financial Plans by Generic Categories
(\$ in millions)

**NON-REIMBURSABLE and
REIMBURSABLE**

	2008	2009	2010	2011	2012
Baseline 2008 July Financial Plan - Operating Cash Income/(Deficit)	(\$279.768)	(\$300.325)	(\$310.492)	(\$320.050)	(\$330.974)
IESS Adjustment	3.132	16.230	19.911	17.809	18.378
Baseline 2008 Adjusted July Financial Plan - Operating Cash Income/(Deficit)	(\$276.636)	(\$284.095)	(\$290.581)	(\$302.241)	(\$312.596)
Baseline Changes					
Revenue					
Farebox Revenue					
Vehicle Toll Revenue					
Rental Income	(0.000)	0.449	0.371	0.522	0.614
Data Center Billings	-	-	-	-	-
Other	-	-	(0.006)	0.004	0.010
Capital and Other Reimbursement	(\$2.220)	\$9.300	\$17.077	\$21.091	\$21.196
Total Revenue Changes	(\$2.220)	\$9.750	\$17.441	\$21.617	\$21.820
Expenses					
Labor:					
Payroll	(\$6.570)	(\$.309)	\$0.16	(\$.237)	(\$.373)
Overtime	(0.007)	-	-	(0.011)	(0.053)
Health and Welfare	(0.235)	0.161	0.190	0.121	0.052
OPEB Current Payment	-	-	-	-	-
Pensions	1.988	(0.052)	0.032	(0.067)	(0.152)
Other Fringe Benefits	(0.551)	(0.012)	0.039	(0.011)	(0.040)
Reimbursable Overhead	-	-	-	-	-
Total Labor Expense Changes	(\$5.375)	(\$.212)	\$0.277	(\$.206)	(\$.566)
Non-Labor:					
Traction and Propulsion Power	-	-	-	-	-
Fuel for Buses and Trains	-	-	-	-	-
Insurance	1.014	-	(0.021)	(0.025)	(0.037)
Claims	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-
Maintenance and Other Operating Contracts	2.902	(0.435)	(0.390)	(0.488)	(0.549)
Professional Services	8.297	(11.934)	(17.023)	(20.296)	(20.427)
Materials & Supplies	0.032	(0.042)	(0.025)	(0.031)	(0.034)
MTA Internal Subsidy	3.551	(2.725)	(2.058)	(0.314)	(0.476)
Other Business Expenses	5.050	(5.157)	(0.100)	(0.202)	(0.278)
Total Non-Labor Expense Changes	\$20.847	(\$20.293)	(\$19.618)	(\$21.356)	(\$21.803)
Total Expense Changes	\$15.472	(\$20.505)	(\$19.341)	(\$21.562)	(\$22.369)
Depreciation	\$3.893	\$0.000	\$0.000	\$0.000	\$0.000
OPEB Obligation	(0.000)	-	-	-	-
Cash Adjustment Changes					
Revenue	(\$1.933)	\$0.000	\$0.000	\$0.000	\$0.000
Labor Expense	7.020	-	-	-	-
Non Labor Expense	(10.035)	-	-	-	-
Operating Capital	9.538	(5.164)	(4.374)	-	-
IESS	-	-	-	-	-
Business Service Center	1.131	-	-	-	-
Depreciation	(3.893)	-	-	-	-
OPEB	0.000	-	-	-	-
Total Cash Adjustment Changes	\$1.828	(\$5.164)	(\$4.374)	\$0.000	\$0.000
Total Baseline Changes	\$18.972	(\$15.919)	(\$6.274)	\$0.056	(\$0.549)
Baseline 2008 November Financial Plan - Operating Cash Income/(Deficit)	(\$257.663)	(\$300.014)	(\$296.855)	(\$302.185)	(\$313.145)

MTA HEADQUARTERS
November Financial Plan 2009 - 2012
Summary of Major Programmatic Changes Between Financial Plans
(\$ in millions)

NON-REIMBURSABLE and REIMBURSABLE

	2008	2009	2010	2011	2012
Baseline 2008 July Financial Plan - Operating Cash Income/(Deficit)	(\$279.768)	(\$300.325)	(\$310.492)	(\$320.050)	(\$330.974)
IESS Adjustment	3.132	16.230	19.911	17.809	18.378
Baseline 2008 July Financial Plan - Operating Cash Income/(Deficit)	(\$276.636)	(\$284.095)	(\$290.581)	(\$302.241)	(\$312.596)
Non-Reimbursable Major Changes					
Revenue					
Effect of Inflation on Rental Incomes	(0.000)	0.449	0.371	0.522	0.614
Effect of Inflation on Other Revenue	0.000	0.034	0.028	0.039	0.046
Sub-Total Non-Reimbursable Revenue Changes	(\$.000)	\$.483	\$.399	\$.561	\$.660
Expenses					
Higher than Forecasted Accrual for MTA PD Retro payment	(\$2.906)	\$0.000	\$0.000	\$0.000	\$0.000
Change in Accrued Pension Costs	1.993	(0.008)	0.076	(0.025)	(0.117)
Change in Health and Welfare expense assumptions	(0.288)	0.216	0.249	0.179	0.103
Effect of Inflation on Expenses	0.000	(1.160)	(0.926)	(0.124)	(1.581)
Change in Depreciation	3.893	0.000	0.000	0.000	0.000
Change in Support for Subsidiaries	3.551	(2.725)	(2.058)	(0.314)	(0.476)
Insurance Expense re-estimate	1.014	0.000	(0.021)	(0.025)	(0.038)
Shift in Professional Services Expenditures	3.000	(3.000)	0.000	0.000	0.000
Shift in MTA Image Campaign Funding	4.850	(4.850)	0.000	0.000	0.000
Shift in MTA Sustainability Commission Funding	0.111	(0.111)	0.000	0.000	0.000
Lower Spending	3.276	0.000	0.000	0.000	0.000
All Other	-	0.401	0.382	(0.196)	0.898
Sub-Total Non-Reimbursable Expense Changes	\$18.494	(\$11.238)	(\$2.298)	(\$.506)	(\$1.210)
Total Non-Reimbursable Major Changes	\$18.494	(\$10.754)	(\$1.899)	\$.055	(\$.550)
Reimbursable Major Changes					
Revenue					
Change in Expense Recovery Levels	(3.569)	0.459	0.379	0.533	0.627
Reimbursement of West Side Yard Development Costs	\$1.349	8.841	16.698	20.558	20.568
Sub-Total Reimbursable Revenue Changes	(\$2.220)	\$9.300	\$17.077	\$21.091	\$21.196
Expenses					
West Side Yard Development Costs	(\$1.349)	(\$8.841)	(\$16.698)	(\$20.558)	(\$20.568)
Effect of Inflationary Changes on Non-Represented Wage Adjustments	(0.052)	(0.230)	(0.232)	(0.186)	(0.100)
Change in Fringe Benefit Assumptions	0.012	(0.136)	(0.130)	(0.125)	(0.105)
Change in Reimbursable Overhead Amounts	3.549	(0.262)	(0.181)	(0.359)	(0.556)
Other Non-Labor Adjustments	(1.289)	0.169	0.163	0.136	0.134
Sub-Total Reimbursable Expense Changes	0.871	(9.301)	(17.077)	(21.091)	(21.195)
Total Reimbursable Major Changes	(\$1.349)	(\$.000)	(\$.000)	\$.000	\$.000
Total Accrual Changes	\$17.145	(\$10.755)	(\$1.900)	\$0.055	(\$0.550)
Cash Adjustment Changes	\$1.828	(\$5.164)	(\$4.374)	\$0.000	\$0.000
Total Cash Adjustment Changes	\$1.828	(\$5.164)	(\$4.374)	\$0.000	\$0.000
Total Baseline Changes	\$18.973	(\$15.919)	(\$6.274)	\$0.055	(\$0.550)
Baseline 2008 November Financial Plan - Operating Cash Income/(Deficit)	(\$257.663)	(\$300.014)	(\$296.855)	(\$302.185)	(\$313.145)

MTA HEADQUARTERS
November Plan 2009 - 2012
Summary of 2009 Program to Eliminate the Gap(PEGs)
(\$ in millions)

		2008		2009		2010		2011		2012	
		<u>Positions</u>	<u>Dollars</u>	<u>Positions</u>	<u>Dollars</u>	<u>Positions</u>	<u>Dollars</u>	<u>Positions</u>	<u>Dollars</u>	<u>Positions</u>	<u>Dollars</u>
Administration											
Reduce Police Administrative Costs		0	0.200	0	0.455	0	0.464	0	0.473	0	0.483
Reduced Internal Administrative Expenses		0	0.152	0	0.484	0	0.481	0	0.490	0	0.499
Reduced Reliance on Outside Professional Service		0	0.692	0	0.868	0	0.884	0	0.899	0	0.915
Sub-Total	Administration	0	\$ 1.044	0	\$ 1.807	0	\$ 1.829	0	\$ 1.862	0	\$ 1.897
Security											
Reduced Police Directed Overtime		0	0.000	0	0.639	0	0.669	0	0.695	0	0.712
Sub-Total	Security	0	\$ 0.000	0	\$ 0.639	0	\$ 0.669	0	\$ 0.695	0	\$ 0.712
Total Programs		0	\$ 1.044	0	\$ 2.446	0	\$ 2.498	0	\$ 2.557	0	\$ 2.609

MTA HEADQUARTERS
November Plan 2009 - 2012
Summary of Program to Eliminate the Gap(PEGs) Worksheet
(\$ in millions)

Business Unit	MTAHQ	Financial Plan Category	PEG	Implementation Date	8/1/2008
Budget Reference	FINAL08	Category	Administration	Savings Date	8/1/2008
PEG / New Need ID	0000000021	Current Budget Year	2008	Status	Open
Program:	Reduce Police Administrative Costs			Agency Status	Pending
Description and Implementation Pla	REDUCE POLICE ADMINISTRATIVE COSTS				
Background Details	MTA Police have been able to find areas where cost reductions can be taken. The PEG savings begin in 2008 with a one time lower than required equipment purchase for the Emergency Service Unit. Beginning in 2009, reductions have been taken in the PD's usage of professional service and required rental and maintenance fees.				

				2008	2009	2010	2011	2012
Total Headcount								
Financial Impact	MTAHQ	0000000021	FINAL08	\$ 0.200	\$ 0.455	\$ 0.464	\$ 0.473	\$ 0.483

MTA HEADQUARTERS
November Plan 2009 - 2012
Summary of Program to Eliminate the Gap(PEGs) Worksheet
(\$ in millions)

Business Unit	MTAHQ	Financial Plan Category	PEG	Implementation Date	8/1/2008
Budget Reference	FINAL08	Category	Administration	Savings Date	8/1/2008
PEG / New Need ID	0000000023	Current Budget Year	2008	Status	Open
Program:	Reduced Internal Administrative Expenses			Agency Status	Pending
Description and Implementation Pla	REDUCED INTERNAL ADMINISTRATIVE EXPENSES				
Background Details	MTA Headquarters has found savings opportunities by reducing administrative expenses by finding efficiencies and removing redundant or unnecessary spending. These savings begin in 2009 primarily from delays in hiring to fill vacancies and reduced supply expenses. Beginning in 2009, employee related expenses, including meeting, seminar training and employee tuition re-reimbursement cost, along with lower maintenances expenses make up the majority of the continuing savings.				

				2008	2009	2010	2011	2012
Total Headcount								
Financial Impact	MTAHQ	0000000023	FINAL08	\$ 0.152	\$ 0.484	\$ 0.481	\$ 0.490	\$ 0.499

MTA HEADQUARTERS
November Plan 2009 - 2012
Summary of Program to Eliminate the Gap(PEGs) Worksheet
(\$ in millions)

Business Unit	MTAHQ	Financial Plan Category	PEG	Implementation Date	8/1/2008
Budget Reference	FINAL08	Category	Administration	Savings Date	8/1/2008
PEG / New Need ID	0000000022	Current Budget Year	2008	Status	Open
Program:	Reduced Reliance on Outside Professional Service			Agency Status	Pending
Description and Implementation Pla	REDUCED RELIANCE ON OUTSIDE PROFESSIONAL SERVICE				
Background Details	MTA Headquarters has found savings opportunities by reducing reliance on the use of outside services. These savings begin in 2008, primarily from reduced expenses relating to the MTA's e-mail alert system project. Beginning in 2009, reduced usage of consulting, advertising, real estate services and audit services provide the bulk of the savings in the PEG. Additional savings come from reduced usage of engineering consultants, research studies and legal services.				

				2008	2009	2010	2011	2012
Total Headcount								
Financial Impact	MTAHQ	0000000022	FINAL08	\$ 0.692	\$ 0.868	\$ 0.884	\$ 0.899	\$ 0.915

MTA HEADQUARTERS
November Plan 2009 - 2012
Summary of Program to Eliminate the Gap(PEGs) Worksheet
(\$ in millions)

Business Unit	MTAHQ	Financial Plan Category	PEG	Implementation Date	1/1/2009
Budget Reference	FINAL08	Category	Security	Savings Date	1/1/2009
PEG / New Need ID	0000000020	Current Budget Year	2008	Status	Open
Program:	Reduced Police Directed Overtime			Agency Status	Pending
Description and Implementation Pla	REDUCED POLICE DIRECTED OVERTIME				
Background Details	At the order of the MTA Executive Director, the MTA Police instituted an aggressive and highly visible program of patrol in March 2007. Within the past year, the MTA Police have been able to find efficiencies in deploying officers and will be able to reduce the amount of Overtime Salary and related fringe expenses.				

				2008	2009	2010	2011	2012
Total Headcount								
Financial Impact	MTAHQ	0000000020	FINAL08	\$ 0.000	\$ 0.639	\$ 0.669	\$ 0.695	\$ 0.712

MTA HEADQUARTERS
November Plan 2009 - 2012
Summary of Post 2009 PEGs
(\$ in millions)

		2008		2009		2010		2011		2012	
		<u>Positions</u>	<u>Dollars</u>	<u>Positions</u>	<u>Dollars</u>	<u>Positions</u>	<u>Dollars</u>	<u>Positions</u>	<u>Dollars</u>	<u>Positions</u>	<u>Dollars</u>
Other											
Unspecified		0	0.000	0	0.000	0	2.162	0	4.431	0	6.707
Sub-Total	Other	<u>0</u>	<u>\$ 0.000</u>	<u>0</u>	<u>\$ 0.000</u>	<u>0</u>	<u>\$ 2.162</u>	<u>0</u>	<u>\$ 4.431</u>	<u>0</u>	<u>\$ 6.707</u>
Total Programs		<u>0</u>	<u>\$ 0.000</u>	<u>0</u>	<u>\$ 0.000</u>	<u>0</u>	<u>\$ 2.162</u>	<u>0</u>	<u>\$ 4.431</u>	<u>0</u>	<u>\$ 6.707</u>

MTA HEADQUARTERS
November Plan 2009 - 2012
Summary of Post PEGs Worksheet
(\$ in millions)

Business Unit	MTAHQ	Financial Plan Category	Post PEG	Implementation Date	7/1/2008
Budget Reference	FINAL08	Category	Other	Savings Date	1/1/2010
PEG / New Need ID	0000000024	Current Budget Year	2008	Status	Open
Program:	Unspecified			Agency Status	Pending
Description and Implementation Pla	Unspecified				
Background Details	Unspecified				

				2008	2009	2010	2011	2012
Total Headcount								
Financial Impact	MTAHQ	0000000024	FINAL08	\$ 0.000	\$ 0.000	\$ 2.162	\$ 4.431	\$ 6.707

**MTA Headquarters
November Financial Plan 2009-2012
Other Assumptions**

Position Table

A baseline headcount of 1,489 positions is forecasted for 2008, unchanged from the Mid-Year Forecast including IESS dedicated positions. The level of employees will increase to 1,494 in 2009 and 1,497 in 2010, 1,499 in 2011, and 1,500 in 2012. These increases are all reimbursable from the benefiting agencies and programs.

MTA HEADQUARTERS
November Financial Plan 2009-2012
Non-Reimbursable - Reimbursable Positions by Function and Department
Full-Time Positions and Full-Time Equivalents

FUNCTION/DEPARTMENT	2007 Actual	2008 November Forecast	2009 Final Proposed Budget	2010	2011	2012
Administration						
Executive	10	11	11	11	11	11
Administration	218	241	241	241	241	241
Audit	88	98	98	98	98	98
Chief Financial Officer	91	105	105	105	105	105
Corporate and Community Affairs	47	52	52	52	52	52
Policy and Media Relations	9	12	11	11	11	11
General Counsel	93	103	103	103	103	103
Chief of Staff/Senior Policy Advisor	36	52	58	61	63	64
Spec. Project Develop/Planning	9	10	10	10	10	10
Labor Relations	3	5	5	5	5	5
PCAC	4	5	5	5	5	5
Vending Fare Media	6	6	6	6	6	6
Corporate Account	2	5	5	5	5	5
Total Administration	616	705	710	713	715	716
Public Safety	731	784	784	784	784	784
Baseline Total Positions	1,347	1,489	1,494	1,497	1,499	1,500
<i>Non-Reimbursable</i>	1,324	1,445	1,446	1,446	1,446	1,446
<i>Reimbursable</i>	23	44	48	51	53	54
<i>Full-Time</i>	1,347	1,489	1,494	1,497	1,499	1,500
<i>Full-Time Equivalents</i>	-	-	-	-	-	-
<hr/>						
Impact of:						
2009 Program to Eliminate the Gap (PEGs)	0	0	0	0	0	0
Post-2009 Program to Eliminate the Gap (PEGs)	0	0	0	0	0	0
Total Positions	1,347	1,489	1,494	1,497	1,499	1,500
<i>Non-Reimbursable</i>	1,324	1,445	1,446	1,446	1,446	1,446
<i>Reimbursable</i>	23	44	48	51	53	54
<i>Total Full-Time</i>	1,347	1,489	1,494	1,497	1,499	1,500
<i>Total Full-Time Equivalents</i>	-	-	-	-	-	-
Policy Action - Business Service Center - HQ	0	(9)	(9)	(9)	(72)	(72)
Policy Action - Business Service Center	0	55	100	100	413	371

MTA HEADQUARTERS
November Financial Plan 2009-2012
Total Full-time Positions and Full-time Equivalents by Function and Occupational Group

FUNCTION/OCCUPATIONAL GROUP		2007 Actual	2008 November Forecast	2009 Final Proposed Budget	2010	2011	2012
Administration	Managers/Supervisors	379	416	415	415	415	415
	Professional, Technical, Clerical	237	289	295	298	300	301
	Operational Hourlies						
	Total Administration	616	705	710	713	715	716
Operations	Managers/Supervisors						
	Professional, Technical, Clerical						
	Operational Hourlies						
	Total Operations	-	-	-	-	-	-
Maintenance	Managers/Supervisors						
	Professional, Technical, Clerical						
	Operational Hourlies						
	Total Maintenance	-	-	-	-	-	-
Engineering/Capital	Managers/Supervisors						
	Professional, Technical, Clerical						
	Operational Hourlies						
	Total Engineering/Capital	-	-	-	-	-	-
Public Safety	Managers/Supervisors	34	35	35	35	35	35
	Professional, Technical, Clerical	52	81	81	81	81	81
	Operational Hourlies (Uniformed)	645	668	668	668	668	668
	Total Public Safety	731	784	784	784	784	784
Total Baseline Positions	Managers/Supervisors	413	451	450	450	450	450
	Professional, Technical, Clerical	289	370	376	379	381	382
	Operational Hourlies	645	668	668	668	668	668
	Total Baseline Positions	1,347	1,489	1,494	1,497	1,499	1,500
Impact of:							
2009 Program to Eliminate the Gap		-	-	-	-	-	-
Post 2009 Program to Eliminate the Gap		-	-	-	-	-	-
Total Positions	Managers/Supervisors	413	451	450	450	450	450
	Professional, Technical, Clerical	289	370	376	379	381	382
	Operational Hourlies	645	668	668	668	668	668
	Total Baseline Positions	1,347	1,489	1,494	1,497	1,499	1,500

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**Inspector General
2009 Final Proposed Budget
November Financial Plan 2009 - 2012**

MISSION STATEMENT

The Metropolitan Transportation Authority Office of the Inspector General is created by statute and has the power to investigate abuses, frauds, and service deficiencies related to the authority and its subsidiaries. Reviews may be initiated in order to identify where performance might be improved and funds used more effectively.

FINANCIAL OVERVIEW

The Office of Inspector General's budget is predominately driven by the wages and benefits necessary to support our investigative unit, including attorneys, investigators, and personnel with financial investigations expertise; our audit and analysis unit with staff that have qualitative and quantitative analytical skills; and an administrative and support function, including but not limited to personnel for purchasing, information systems, accounting and reception. These resources are used to investigate and audit matters of concern throughout the MTA and its subsidiaries.

2008 November Forecast

The 2008 November Forecast remains virtually unchanged from the 2008 Mid-Year Forecast and reflects updated inflationary growth according to the guidelines and assumption used by MTA Headquarters.

2009 Final Proposed Budget – Baseline

The 2009 Final Proposed Budget remains virtually unchanged from the 2009 Preliminary Budget and reflects updated inflationary growth according to the guidelines and assumptions used by MTA Headquarters. The 2009 Final Proposed Budget is lower than the 2008 November Forecast primarily due to maintenance and other operating contracts returning to historic budget levels.

2010-2012 Projections

The budget for the Office of Inspector General for the years 2010-2012 maintains the base funding from the previous year and provides inflationary growth according to the guidelines and assumptions used by MTA Headquarters.

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MTA Inspector General
November Financial Plan 2009 - 2012
Year-to-Year Changes by Category - Accrual Basis
(\$ in millions)

REIMBURSABLE

	Favorable/(Unfavorable)								
	2008	2009	Change 2009 - 2008	2010	Change 2010 - 2009	2011	Change 2011-2010	2012	Change 2012 - 2011
Revenue									
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	-	-	-	-	-	-	-	-	-
Other Operating Revenue	-	-	-	-	-	-	-	-	-
Capital and Other Reimbursements	17.338	13.837	(3.501)	14.199	0.362	14.571	0.372	14.970	0.399
Total Revenue	\$17.338	\$13.837	(\$3.501)	\$14.199	\$0.362	\$14.571	\$0.372	\$14.970	\$0.399
Expenses									
Labor:									
Payroll	\$7.472	\$7.696	(\$0.224)	\$7.854	(\$0.158)	\$8.006	(\$0.152)	\$8.170	(\$0.164)
Overtime	-	-	-	-	-	-	-	-	-
Health and Welfare	0.860	1.016	(0.156)	1.105	(0.089)	1.199	(0.094)	1.303	-0.104
Pensions	0.671	0.728	(0.057)	0.758	(0.030)	0.788	(0.030)	0.820	-0.032
Other Fringe Benefits	0.570	0.596	(0.026)	0.621	(0.025)	0.645	(0.024)	0.671	-0.026
Reimbursable Overhead	-	-	-	-	-	-	-	-	-
Total Labor Expenses	\$9.573	\$10.036	(\$0.463)	\$10.338	(\$0.302)	\$10.638	(\$0.300)	\$10.964	(\$0.326)
Non-Labor:									
Traction and Propulsion Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel for Buses and Trains	-	-	-	-	-	-	-	-	-
Insurance	0.016	0.016	-	0.018	(0.002)	0.019	(0.001)	0.021	(0.002)
Claims	-	-	-	-	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-	-	-	-	-
Maintenance and Other									
Operating Contracts	4.091	0.299	3.792	0.305	(0.006)	0.312	(0.007)	0.319	(0.007)
Professional Service Contracts	0.266	0.014	0.252	0.014	-	0.015	(0.001)	0.015	-
Materials & Supplies	0.116	0.120	(0.004)	0.122	(0.002)	0.125	(0.003)	0.127	(0.002)
MTA Internal Subsidy	-	-	-	-	-	-	-	-	-
Other Business Expenses	2.691	2.767	(0.076)	2.817	(0.050)	2.877	(0.060)	2.939	(0.062)
Total Non-Labor Expenses	\$7.180	\$3.216	\$3.964	\$3.276	(\$0.060)	\$3.348	(\$0.072)	\$3.421	(\$0.073)
Other Expenses Adjustments:									
Other	-	-	-	-	-	-	-	-	-
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation	\$16.753	\$13.252	\$3.501	\$13.614	(\$0.362)	\$13.986	(\$0.372)	\$14.385	(\$0.399)
Depreciation	0.585	0.585	-	0.585	-	0.585	-	0.585	-
Total Expenses	\$17.338	\$13.837	\$3.501	\$14.199	(\$0.362)	\$14.571	(\$0.372)	\$14.970	(\$0.399)
Baseline Net Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	(\$0.000)	\$0.000	\$0.000	\$0.000	(\$0.000)
2009 Program to Eliminate the Gap	-	-	-	-	-	-	-	-	-
Post 2009 Program to Eliminate the Gap	-	-	-	-	-	-	-	-	-
Net Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	(\$0.000)	\$0.000	\$0.000	\$0.000	(\$0.000)

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MTA INSPECTOR GENERAL
November Financial Plan 2009 - 2012
Summary of Changes Between Financial Plans by Category
(\$ in millions)

REIMBURSABLE

	2008	2009	2010	2011	2012
Baseline 2008 July Financial Plan - Operating Cash Income/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Baseline Changes					
Revenue:					
Capital and Other Reimbursements	(\$0.003)	\$0.028	\$0.025	\$0.031	\$0.038
Total Revenue Changes	\$ (0.003)	\$ 0.028	\$ 0.025	\$ 0.031	\$ 0.038
Expenses:					
Payroll	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Overtime	-	-	-	-	-
Health and Welfare	0.000	0.000	0.000	0.000	0.000
Pensions	0.000	0.000	0.000	0.000	0.000
Other Fringe Benefits	0.000	0.000	0.000	0.000	0.000
Reimbursable Overhead	-	-	-	-	-
Total Labor Expenses	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Insurance	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Claims	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-
Maintenance and Other					
Operating Contracts	0.000	(0.002)	(0.003)	(0.003)	(0.004)
Professional Service Contracts	0.000	(0.002)	(0.002)	(0.002)	(0.002)
Materials & Supplies	0.000	(0.001)	(0.001)	(0.001)	0.000
Other Business Expenses	0.000	(0.026)	(0.022)	(0.028)	(0.035)
Total Non-Labor Expenses	\$0.000	(\$0.031)	(\$0.028)	(\$0.034)	(\$0.041)
Total Expense Changes	\$ 0.000	\$ (0.031)	\$ (0.028)	\$ (0.034)	\$ (0.041)
Depreciation	\$0.003	\$0.003	\$0.003	\$0.003	\$0.003
Cash Adjustments:					
Sub-Total Cash Adjustment Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Baseline Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
2008 November Financial Plan - Operating Cash Income/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA OFFICE OF THE INSPECTOR GENERAL
November Financial Plan 2009 - 2012
Total Non-Reimbursable - Reimbursable Positions at End-of-Year
Full-Time Positions and Full Time Equivalents

FUNCTION/DEPARTMENT	2007 Actual	2008 November Forecast	2009 Final Proposed Budget	2010	2011	2012
Administration						
<i>Office of Inspector General</i>	75	91	91	91	91	91
<i>Total Administration</i>	75	91	91	91	91	91
<i>Baseline Total Positions</i>	75	91	91	91	91	91
<i>Non-Reimbursable</i>	-	-	-	-	-	-
<i>Reimbursable</i>	75	91	91	91	91	91
<i>Total Full-Time</i>	75	91	91	91	91	91
<i>Total Full-Time-Equivalents</i>	-	-	-	-	-	-
<hr/>						
Impact of:						
2009 Program to Eliminate	-	-	-	-	-	-
Post 2009 Program to Eliminate	-	-	-	-	-	-
<i>Total Positions</i>	75	91	91	91	91	91
<i>Non-Reimbursable</i>	-	-	-	-	-	-
<i>Reimbursable</i>	75	91	91	91	91	91
<i>Total Full-Time</i>	75	91	91	91	91	91
<i>Total Full-Time-Equivalents</i>	-	-	-	-	-	-

**First Mutual Transportation Assurance Co.
(FMTAC)**

MTA First Mutual Transportation Assurance Company
2009 Final Proposed Budget
November Financial Plan 2009 - 2012

Mission Statement

The mission of the First Mutual Transportation Assurance Company (FMTAC) is to engage in the business of acting as a pure captive insurance company under Section 7005, Article 70 of the Insurance Law and Section 1266 subdivision 5 of the Public Authorities Law of the State of New York. FMTAC's mission is to continue, develop, and improve the insurance and risk management needs as required by the MTA. FMTAC was established to maximize the flexibility and effectiveness of the MTA's insurance program.

FINANCIAL OVERVIEW

FMTAC continues to utilize dedicated resources to efficiently address the challenges related to insurance and risk management for the MTA. It is the goal of FMTAC to maximize the efficiency and flexibility of the insurance programs while minimizing costs to the MTA and its subsidiaries. FMTAC continues to draw from the expertise and support services available in other MTA agencies and outside service providers to support risk management. This is reflected in the current budget proposal.

For all years, on a cash basis, FMTAC generates a net cash deficit of zero, which is the true cash impact of FMTAC on MTA cash balances. FMTAC cash reserves are separate and distinct from MTA and are necessary to maintain the appropriate capital and reserve levels pursuant to the State of New York Insurance guidelines.

Costs for FMTAC are comprised of insurance premiums (credit to Insurance expenses), Claims expenses, and Other Business Expenses. Insurance revenues result in an offset to expenses.

2008 November Forecast

In the 2008 November Forecast, a total of \$0.442 million is projected in Net Deficit compared to a Net Surplus of \$17.492 million in the 2008 Mid-Year Forecast. This consists of a decrease of \$14.168 million in revenue, a result of declining investment yield, and an increase in expense of \$3.766 million, which was partially offset by a favorable development in Insurance expense. Total Revenue is based on actual results through August 2008 on an annualized basis. Insurance is based on 2008 actual results through August 2008 on an annualized basis. Claims are based on actuarial analysis of claims activity on a estimated basis. Other Business Expenses are based on actual results through August 2008 on an annualized basis.

2009 Final Proposed Budget

In the 2009 Final Proposed Budget a total of \$1.965 million is projected in Net Deficit compared to a Net Surplus of \$16.157 million in the 2009 Preliminary Budget. This consists of a decrease of \$14.407 million in revenues as well as increase in expenses of \$3.715 million.

2010 – 2012 Projections

2010 – 2012 Projections are representative of 2008 projections with market increases. Other Operating Revenue is estimated to increase over 2008 projections at a rate equal to the CPI. Insurance is estimated to increase over 2008 estimates at a rate of 5% each year. Claims are based on actuarial analysis of projected claims activity and adjustments. Other Business Expenses are estimated to increase over 2008 at a rate of 2% each year.

MTA FIRST MUTUAL TRANSPORTATION ASSURANCE COMPANY
November Financial Plan 2009-2012
Accrual Statement of Operations by Category
(\$ in millions)

NON-REIMBURSABLE						
	2007	2008	2009			
	Actual	November Forecast	Final Proposed Budget	2010	2011	2012
Operating Revenue						
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	16.756	22.403	23.062	23.493	24.017	24.545
Investment Income	2.699	(17.891)	(18.417)	(18.761)	(19.179)	(19.601)
Capital and Other Reimbursements	-	-	-	-	-	-
Total Revenue	\$19.455	\$4.512	\$4.645	\$4.732	\$4.838	\$4.944
Operating Expenses						
<u>Labor:</u>						
Payroll	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Overtime	-	-	-	-	-	-
Health and Welfare	-	-	-	-	-	-
Pensions	-	-	-	-	-	-
Other Fringe Benefits	-	-	-	-	-	-
Reimbursable Overhead	-	-	-	-	-	-
Total Labor Expenses	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<u>Non-Labor:</u>						
Traction and Propulsion Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel for Buses and Trains	-	-	-	-	-	-
Insurance	(48.043)	(51.542)	(54.119)	(56.825)	(59.666)	(62.649)
Claims	48.548	40.191	44.098	48.625	54.205	55.290
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	-	-	-	-	-	-
Professional Service Contracts	-	-	-	-	-	-
Materials & Supplies	-	-	-	-	-	-
Other Business Expenses	8.383	16.305	16.631	16.964	17.303	17.649
Total Non-Labor Expenses	\$8.888	\$4.954	\$6.610	\$8.764	\$11.842	\$10.290
<u>Other Expenses Adjustments:</u>						
Other	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation	\$8.888	\$4.954	\$6.610	\$8.764	\$11.842	\$10.290
Depreciation	-	-	-	-	-	-
Total Expenses	\$8.888	\$4.954	\$6.610	\$8.764	\$11.842	\$10.290
Baseline Surplus/(Deficit)	\$10.567	(\$0.442)	(\$1.965)	(\$4.032)	(\$7.004)	(\$5.346)

CASH RECEIPTS AND EXPENDITURES	
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MTA FIRST MUTUAL TRANSPORTATION ASSURANCE COMPANY
November Financial Plan 2009-2012
Cash Conversion (Cash Flow Adjustments)
(\$ in millions)

CASH FLOW ADJUSTMENTS						
	2007	2008	2009			
	<u>Actual</u>	<u>November Forecast</u>	<u>Final Proposed Budget</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Receipts						
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Investment Income	0.000	0.000	0.000	0.000	0.000	0.000
Capital and Other Reimbursements	-	-	-	-	-	-
Total Receipts	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Expenditures						
<u>Labor:</u>						
Payroll	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Overtime	-	-	-	-	-	-
Health and Welfare	-	-	-	-	-	-
Pensions	-	-	-	-	-	-
Other Fringe Benefits	-	-	-	-	-	-
Reimbursable Overhead	-	-	-	-	-	-
Total Labor Expenditures	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<u>Non-Labor:</u>						
Traction and Propulsion Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel for Buses and Trains	-	-	-	-	-	-
Insurance	0.000	0.000	0.000	0.000	0.000	0.000
Claims	0.000	1.914	2.100	2.316	2.581	2.633
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	-	-	-	-	-	-
Professional Service Contracts	-	-	-	-	-	-
Materials & Supplies	-	-	-	-	-	-
Other Business Expenditures	-	-	-	-	-	-
Total Non-Labor Expenditures	\$0.000	\$1.914	\$2.100	\$2.316	\$2.581	\$2.633
<u>Other Expenditures Adjustments:</u>						
Other	(\$10.567)	(\$1.472)	(\$0.135)	\$1.716	\$4.423	\$2.713
Total Other Expenditures Adjustments	(\$10.567)	(\$1.472)	(\$0.135)	\$1.716	\$4.423	\$2.713
Total Cash Conversion Adjustments before Depreciation	(\$10.567)	\$0.442	\$1.965	\$4.032	\$7.004	\$5.346
Depreciation Adjustment	-	-	-	-	-	-
Total Cash Conversion Adjustments	(\$10.567)	\$0.442	\$1.965	\$4.032	\$7.004	\$5.346

**MTA First Mutual Transportation Assurance Company
November Financial Plan 2009 - 2012
Year-to-Year Changes by Category 2008 - 2012
Non-Reimbursable**

Revenue

Investment Income

- Investment income is derived through FMTAC based on the investments held with Dwight Asset Management.
- Investment income is projected based on the All Urban Consumer CPI inflation rates as provided in the Economic & Demographic Forecasts September 2008.

Expenses

Insurance

- Insurance (premiums) is based on increases in the market as well as increases in the claims expenses and reserve adjustments.
- Insurance Premiums are estimated to increase 5% each year for 2009 - 2012

Claims

- Claims expenses are determined by actuarial projection for 2008 - 2012 of the actual claims expense paid and any adjustments either favorable or unfavorable to reserves.

Other Business Expenses

- Costs increase 2% for 2009 through 2012 and are representative of general increases for the services provided and expenses not directly related to claims.

First Mutual Transportation Assurance Company
November Financial Plan 2009 - 2012
Year-to-Year Changes by Category - Accrual Basis
(\$ in millions)

NON-REIMBURSABLE

	Favorable/(Unfavorable)								
	2008	2009	Change 2009 - 2008	2010	Change 2010 - 2009	2011	Change 2011 - 2010	2012	Change 2012 - 2011
Revenue									
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	-	-	-	-	-	-	-	-	-
Investment Income	(17.891)	(18.417)	(0.526)	(18.761)	(0.344)	(19.179)	(0.418)	(19.601)	(0.422)
Other Operating Revenue	22.403	23.062	0.659	23.493	0.431	24.017	0.524	24.545	0.528
Capital and Other Reimbursements	-	-	-	-	-	-	-	-	-
Total Revenue	\$4.512	\$4.645	\$0.133	\$4.732	\$0.087	\$4.838	\$0.106	\$4.944	\$0.106
Expenses									
Labor:									
Payroll	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Overtime	-	-	-	-	-	-	-	-	-
Health and Welfare	-	-	-	-	-	-	-	-	-
OPEB Current Payment	-	-	-	-	-	-	-	-	-
Pensions	-	-	-	-	-	-	-	-	-
Other Fringe Benefits	-	-	-	-	-	-	-	-	-
Reimbursable Overhead	-	-	-	-	-	-	-	-	-
Total Labor Expenses	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Non-Labor:									
Traction and Propulsion Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel for Buses and Trains	-	-	-	-	-	-	-	-	-
Insurance	(51.542)	(54.119)	2.577	(56.825)	2.706	(59.666)	2.841	(62.649)	2.983
Claims	40.191	44.098	(3.907)	48.625	(4.527)	54.205	(5.580)	55.290	(1.085)
Paratransit Service Contracts	-	-	-	-	-	-	-	-	-
Maintenance and Other Operating Contracts	-	-	-	-	-	-	-	-	-
Professional Service Contracts	-	-	-	-	-	-	-	-	-
Materials & Supplies	-	-	-	-	-	-	-	-	-
Other Business Expenses	16.305	16.631	(0.326)	16.964	(0.333)	17.303	(0.339)	17.649	(0.346)
Total Non-Labor Expenses	\$4.954	\$6.610	(\$1.656)	\$8.764	(\$2.154)	\$11.842	(\$3.078)	\$10.290	\$1.552
Other Expenses Adjustments:									
Other	-	-	-	-	-	-	-	-	-
Total Other Expense Adjustments	-	-	-	-	-	-	-	-	-
Total Expenses before Depreciation and GASB Adjs.	\$4.954	\$6.610	(\$1.656)	\$8.764	(\$2.154)	\$11.842	(\$3.078)	\$10.290	\$1.552
Depreciation	-	-	-	-	-	-	-	-	-
OPEB Obligation	-	-	-	-	-	-	-	-	-
Environmental Remediation	-	-	-	-	-	-	-	-	-
Total Expenses	\$4.954	\$6.610	(\$1.656)	\$8.764	(\$2.154)	\$11.842	(\$3.078)	\$10.290	\$1.552
Baseline Net Surplus/(Deficit)	(\$0.442)	(\$1.965)	(\$1.523)	(\$4.032)	(\$2.067)	(\$7.004)	(\$2.972)	(\$5.346)	\$1.658
2009 Agency Program to Eliminate the Gap (PEGs)	-	-	-	-	-	-	-	-	-
Post - 2009 Agency Program to Eliminate the Gap (PEGs)	-	-	-	-	-	-	-	-	-
Total PEGs	-	-	-	-	-	-	-	-	-
Net Surplus/(Deficit)	(\$0.442)	(\$1.965)	(\$1.523)	(\$4.032)	(\$2.067)	(\$7.004)	(\$2.972)	(\$5.346)	\$1.658

First Mutual Transportation Assurance Company
November Financial Plan 2009 - 2012
Year-to-Year Changes by Category - Cash Basis
(\$ in millions)

CASH RECEIPTS & EXPENDITURES

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MTA First Mutual Transportation Assurance Company
November Financial Plan 2009-2012
Summary of Changes Between Financial Plans 2008 - 2012
Non-Reimbursable

2008 - 2012: November Financial Plan vs. July Financial Plan

Revenue

Revenue changes from the July Plan over the 2008 to 2012 period include:

- An unfavorable development in the 2008 baseline estimate due to incurred losses in investments resulting from reduced yield/longer duration assets. Unfavorable developments in years 2009 – 2012 are anticipated to continue unless there is a change to future yields.

Expense

Expense changes from the July Plan over the 2008 to 2012 period include:

- An increase in Insurance 2008 baseline estimates due to increased premiums charged on renewals incurred during the period because of increased coverage. The 2009-2012 results remain favorable due to the application of a 5% inflationary rate.
- Claims expense did not change due to the same ultimate loss projections as in July 2008. Ultimate loss projections are updated for the September 30th results and December 31st results by the actuaries.
- An increase in Other Business Expense due to updated estimates based on actual results through August 2008. An inflationary rate of 2% is applied to Other Business Expense for years 2009-2012.

First Mutual Transportation Assurance Company
November Financial Plan 2009 - 2012
Changes Between Financial Plans by Generic Categories
(\$ in millions)

NON-REIMBURSABLE					
	2008	2009	2010	2011	2012
Baseline 2008 July Financial Plan - Operating Cash Income/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Baseline Changes					
Revenue					
Farebox Revenue					
Vehicle Toll Revenue					
Investment Income	(19.891)	(20.457)	(20.843)	(21.301)	(21.766)
Other Operating Revenue	5.723	6.050	6.132	6.319	6.486
Capital and Other Reimbursement					
Total Revenue Changes	(\$14.168)	(\$14.407)	(\$14.711)	(\$14.982)	(\$15.280)
Expenses					
<i>Labor:</i>					
Payroll					
Health and Welfare					
OPEB Current Payment					
Pensions					
Other Fringe Benefits					
Reimbursable Overhead					
Total Labor Expense Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<i>Non-Labor:</i>					
Traction and Propulsion Power					
Fuel for Buses and Trains					
Insurance	\$4.202	\$4.412	\$4.633	\$4.864	\$5.107
Claims	\$0.000	0.000	0.000	0.000	0.000
Paratransit Service Contracts					
Maintenance and Other Operating Contracts					
Materials & Supplies					
Other Business Expenses	(7.968)	(8.127)	(8.290)	(8.456)	(8.625)
Total Non-Labor Expense Changes	(\$3.766)	(\$3.715)	(\$3.657)	(\$3.592)	(\$3.518)
<i>Total Expenses before Depreciation and GASB Adjs.</i>					
Depreciation					
OPEB Obligation					
Environmental Remediation					
Total Expense Changes	(\$3.766)	(\$3.715)	(\$3.657)	(\$3.592)	(\$3.518)
Cash Adjustment Changes					
<i>Revenue:</i>					
Other Operating Revenue	0.000	0.000	0.000	0.000	0.000
<i>Expenses:</i>					
Claims	0.000	0.000	0.000	0.000	0.000
Other Business Expenses					
Total Expense Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Restricted Cash Adjustment	17.934	18.122	18.368	18.574	18.798
Total Cash Adjustment Changes	\$17.934	\$18.122	\$18.368	\$18.574	\$18.798
Total Baseline Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Baseline 2008 November Financial Plan - Operating Cash Income/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

First Mutual Transportation Assurance Company
November Financial Plan 2009 - 2012
Summary of Major Programmatic Changes Between Financial Plans
(\$ in millions)

NON-REIMBURSABLE and REIMBURSABLE

	2008	2009	2010	2011	2012
Baseline 2008 November Financial Plan - Operating Cash Income/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<i>Non-Reimbursable Major Changes</i>					
Revenue	(\$14.168)	(\$14.407)	(\$14.711)	(\$14.982)	(\$15.280)
Sub-Total Non-Reimbursable Revenue Changes	(\$14.168)	(\$14.407)	(\$14.711)	(\$14.982)	(\$15.280)
Expenses	(\$3.766)	(\$3.715)	(\$3.657)	(\$3.592)	(\$3.518)
Sub-Total Non-Reimbursable Expense Changes	(\$3.766)	(\$3.715)	(\$3.657)	(\$3.592)	(\$3.518)
<i>Total Non-Reimbursable Major Changes</i>	(\$17.934)	(\$18.122)	(\$18.368)	(\$18.574)	(\$18.798)
<i>Reimbursable Major Changes</i>					
Revenue					
Sub-Total Reimbursable Revenue Changes					
Expenses					
Sub-Total Reimbursable Expense Changes					
<i>Total Reimbursable Major Changes</i>	\$.000	\$.000	\$.000	\$.000	\$.000
<i>Total Accrual Changes</i>	(\$17.934)	(\$18.122)	(\$18.368)	(\$18.574)	(\$18.798)
<i>Cash Adjustment Changes</i>					
Total Cash Adjustments	\$17.934	\$18.122	\$18.368	\$18.574	\$18.798
<i>Total Cash Adjustment Changes</i>	\$17.934	\$18.122	\$18.368	\$18.574	\$18.798
<i>Total Baseline Changes</i>	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Baseline 2008 November Financial Plan - Operating Cash Income/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

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